

SA skies ready for 10% air traffic growth

By Julius Baumann 22 Jul 2009

The Department of Transport believes it has created enough air capacity — for both cargo and passenger services — to meet growth in demand for the next 10 to 15 years.

"We are comfortable that our agreements provide enough capacity for growth of 10% a year for the next decade," Anwar Gany, chief director of civil aviation, said yesterday. It is a vital process that has seen the skies over SA open up to competition.

Scheduled international flights are strictly regulated by an intricate web of air policy agreements between nations, defining when, where and how airlines may fly between any two points on the globe. However, SA has been opening the air market with a more liberal approach to competition.

This process was largely driven by the Airlift Strategy, approved by the government in 2006, which aimed to create capacity ahead of demand and frame the agenda of any future bilateral negotiations.

Among the key successes is the recent conclusion of an agreement between SA and Canada for the first time since negotiations began in 1977. The agreement allows for three frequencies from this year, increasing to five in 2012 and daily flights in 2015.

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Gany said no airline had taken up the frequencies but it could pave the way for airlines such as South African Airways (SAA) and Air Canada to enter into a code-share on routes between the two countries.

In the past two years the department, under the stewardship of Gany, and chief negotiator Vuwani Ndwamato, have renegotiated virtually every bilateral agreement and put in place new agreements.

Ndwamato said that the next challenge was opening up competition on the continent. While several African nations had agreed years ago to liberalise in terms of the Yamoussoukro Decision, few have.

"Our aim is to open up the continent country by country. We have made substantial process in west, east and north Africa," Ndwamato said. "However, the SADC region remains problematic."

Its talks with the European Union are another big challenge. The EU last year removed virtually all restrictions on EU

carriers, allowing them to operate anywhere in Europe.

Source: Business Day



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